

Exhibit A

Brief Description of the Drawings

Figures 1 – 3 show a map of the site links for a carbon bank and exchange.

Figures 4 – 11 describe the flow of emission reduction credits (ERC's) into and within the Bank.

Figure 12 describes the flow of dollars within the Bank.

Figure 13 describes the mechanism for associating the type of system that created the ERC's to the purchaser of the ERC's. This is comparable to knowing where every penny comes from and goes to in a bank.

Figure 14 describes a method for using an external database to report greenhouse gas (GHG) emission quantities and purchasing the offsetting amount of ERC's.

Figure 15 describes the method for assigning a handle to the account holder

Figure 16 describes the method of purchasing ERC's online.

Figures 17 – 19 describe the method for the registration of a renewable energy (RE) system and application for ERC accreditation.

Figure 20 describes the method for the registration of a forest as a carbon sink and application for ERC accreditation.

Figure 21 describes the method for the registration of a vehicle as a carbon source and purchase of ERC's as offset.

Figure 22 describes the method for the registration of a home as a carbon source and purchase of ERC's as offset.

Figure 23 describes the method for the registration of air travel as a carbon source and purchase of ERC's as offset.

Figure 24 describes the method for the registration of a company or product as a carbon source and purchase of ERC's as offset.

Figure 25 describes the method for the registration of an activity (such as barbeques, ATV use, etc.) as a carbon source and purchase of ERC's as offset.

Detailed Description of the Preferred Embodiment

In the following description, a preferred embodiment of the invention is described with regard to preferred process steps.

Kent's descriptions and charts precede this section...

(1) Links on Home Page

All processes and information can be accessed from here. All registration and transaction pages require setting up an account in Account Management 110, which is reached via a link 113 from the home page of the site. This process creates a handle, as described in **Figure 15**. In Account Management 110 a client may update their address and/or contact information 114, search for an RE manufacturer or installer 115, view a summary of their account activity 116, register a forest as a carbon sink 117, or register their vehicle 121, home energy use 122, air travel 123, or other activity involving GHG emissions from fossil fuel combustion 124.

Further links from the home page are represented in **Figure 2** and **Figure 3**. **Figure 2** diagrams the links to pages used for:

1. Application for RE system financing 130
2. RE system registration and application for ERC accreditation 134
3. Registration into the RE professional database 140.
4. Registration into the RE manufacturer database 144.
5. Searching the database of RE systems currently registered 148.

Figure 3 diagrams the links from the home page to CarbonTown 150 for legal and consultation services, Carbon for Kids 160 for the education of the young regarding global warming issues and information, ClimateSafe 170 for registering carbon sources, and the Carbon Database 180 for information regarding the calculation of ERC's, global warming, conversion factors, and interesting facts about CO₂ and other GHG's.

Figures 4 – 11 show the flow of ERC's into and within the Bank. The action of registering an RE system or forest as a carbon sink 209 creates ERC's by giving the information necessary to evaluate how much GHG's are being reduced by the operation of the RE system or the management of the forest. These are calculated and divided into five accounts/funds by a percentage 203 –

205. The level of accreditation that the system owner has chosen dictates this percentage. The ERCs are in a holding pond 200 until an RE professional has verified the system, and ICBE staff has reviewed all documentation.

After clearance is given, ERCs flow into the following accounts/funds:

System Owner 201: This will be the owner of the RE system or carbon sink.

Middle Person(s) 202: This will ordinarily be the account of the person who installs and/or verifies the RE system being credited.

Insurance 203: This fund is for insurance against natural catastrophe.

Discount 204: This fund accommodates the uncertainty factor currently a part of all reduction calculations.

ICBE 205: ICBE account.

RE fund 206: This fund receives ERCs from various sources (see Figure 9). These ERCs are then sold to finance the installation of more RE systems.

ERC Pool 207: This is where credits that are available for sale are stored.

Retired 208: This fund is where account holder's can permanently retire credits. ERCs can enter this fund, but cannot be withdrawn. There is also a "retired" status of credits that have been purchased as offsetting a particular GHG emission source.

Figures 5 - 11 describe the flow of ERCs between accounts/funds. Figure 5 shows the flow of ERCs for the Insurance fund 203. ERCs flow in from the holding pond described in Figure 4 or are transferred by ICBE. It is possible that in the future we may be able to reduce the percentage of ERCs needed for insurance. In this case, it is necessary to have a way to rebate the accounts/funds for the "overcharging" created by the higher insurance percentage. Shown are the accounts/funds that could receive such a rebate 201, 202, 205 - 208. Figure 6 shows the same flow for the Discount fund. It is possible that in the future we may be able to reduce the percentage of ERCs needed to discount from the system potential. As accuracy of measurements, constants, and methods increases, the amount of discount percentage may decrease. In this case the rebate scenario mentioned above will apply.

Figure 7 and Figure 8 show the flow of ERCs into and out of the middle person's account 202 and the system owner's account 201. There are several different possibilities for who the middle person might be. This can be the manufacturer of the system, a professional who installs systems, or an accredited person hired by ICBE. They are responsible for on-site verification of

the system described in the registration and application for credit received by ICBE. Their options are described in 210 - 212. They may sell 210 the ERCs in their account 202 to ICBE 205, or they can put them up for sale in the ERC Pool 207. They also have the option to donate 211 their ERCs to the ERC Pool 207, ICBE 205, or the RE fund 206. The other option available is to retire 208 them. By retiring their ERCs, account holders take them out of circulation forever.

Figure 8 shows the same options are available to the system owner 201 as are available to the middle person 202. Of note is the fact that the system owner 201 and the middle person 202 cannot sell or donate his/her credits to the other. This is done to prevent the possibility of collusion or fraud.

Figure 9 shows the flow of ERCs into and out of the RE fund 206. ICBE 205 can transfer ERCs out of the RE fund 206 and sell them either to a carbon source 214 wishing to purchase an offset, or list them for sale on the Carbon Exchange 215. This monetary amount is then deposited in the ICBE Monetary Fund 220 for use in financing the purchase and installation of RE systems.

Figure 10 shows the fact that ICBE has administrative control over all accounts. In the case of any error, ICBE has the ability to rectify accounts manually.

Figure 11 illustrates the fact that the ERC Pool 207 is where credits go to be purchased by a carbon source as an offset or traded on Carbon Exchange. Each gram associated with an ERC is tagged with an identification ID that can trace it back to the original RE system or sink that created it (see Figure 13). Buyers can steer their purchases toward a particular RE type such as Solar Thermal, Photovoltaic, or Microhydro.

Figure 12, the Monetary Transaction Fund 220, describes how dollars flow into and within the bank. Each account holder, except ICBE 205, pays account management fees. Registration fees are paid by system owners 201. Trading fees are paid by traders 218 using Carbon Exchange 104. RE professionals and manufacturers 202 pay advertisement fees for uploading ads and pictures. ICBE 205 can take the ERCs from the RE fund 206 and sell them to a carbon source or on Carbon Exchange 104 to finance the installation of more RE systems.

Figure 13 illustrates the Carbon Buddy concept. Once ERCs are created, they are given an ID tag 231 that will follow it throughout its life in this system and

put in separate accounts/funds according to **Figure 4**. After the system has been verified by a professional and has cleared the Holding Pond 200, the ERCs can be sold to ICBE or listed for sale on Carbon Exchange 235. At that point, the original ID tag and the purchaser's ID are joined in the same record 237 making it possible to track all ERCs from the system or sink that created it to the end-user.

Figure 14 describes how to use an external database to calculate GHG emissions and purchase ERCs to offset said emissions. This is used to connect an external database 240 (company, government) and automatically enter the required information 241 using the natural language of said database. This information is then translated to XML 242 using industry standard software and transmitted to ICBE server ??? via the Internet 243. Here, the information is translated to SQL 244 and used to calculate the GHG emissions 245. The dollar amount needed to purchase the ERCs needed to offset is returned to the external database 246. Upon deciding to purchase, payment amount and information (Bank ID, acct. no., etc.) 247 is submitted 248 and processed 251. ID tagged ERCs are then withdrawn from the ERC Pool 252, connected with the purchaser's ID 253, and deposited in the account holder's account 254. The dollar portion of the transaction is deposited in the ICBE monetary fund 255.

Figure 15 briefly describes the process of creating a handle in the system. Through Account Management 111, one fills out the form and submits it to ICBE 260. Then the server ??? takes the first letter of the first name, and the second letter of the last name and adds a sequential number 261. This greatly adds to the speed and accuracy with which queries can be run. The handle is then stored in the appropriate SQL table 262.

Figure 16 describes the Carbon Exchange 104. Here customers will be able to buy and sell ERCs (sometimes known as "carbon credits"). After choosing Carbon Exchange from the home page 270, a screen with a search engine and certain price data are displayed 271. Certain variables are user-selectable to choose a specific RE type (Solar Thermal, Microhydro, etc.) and a particular country where the system is located 272. Upon viewing the information returned 273 (this cycle can be repeated until desired type, location, and price are found), the customer may decide to purchase. At that time, he/she reads and accepts the terms of trading on the exchange, including fees and any percentages that may apply 274. If they haven't previously created an account 275, they must do so at this point 276. This is done at this particular time to allow visitors to the site to

view information on the exchange for free. Charges are only incurred when an account is opened and a transaction is made. Credit card (or other payment information) is then submitted 277, and an internal check is made 278 to insure that the payment amount clears, and that the account holder has trading permissions. If transaction does not clear this check 279, the customer is notified of the exact nature of the error, and is returned to the information display page 273. If the transaction is cleared by the bank 279, ERCs are withdrawn from the ERC Pool 281. The total amount of credits, minus a percentage to ICBE 282, is then deposited in the customer's account. The amount of fee charged and percentage owed to ICBE vary with amount of activity on the exchange. The ICBE fee itself 284 is then divided. 80% 285 will go into the RE fund 206, and 20% 286 is put in the ICBE account 205.

Figures 17 - 19 show the process of registering an RE system. The owner (or a legally appointed representative) selects RE systems 300 from the home page and the RE systems page appears 301. If owner is not yet an account holder, he/she is sent 303 to Open Account 111. Owner then fills out the registration form, including pictures, and submits it with the registration fee 304. Form, pictures, and fee are received 305 by the server ???; registration fee is deposited 306 in ICBE monetary transaction fund 220; and form and pictures are reviewed by ICBE staff 308. The owner is then sent a registration certificate 309. If the owner chose level 1 registration 310 on the registration form 304, the ERCs credited to the system are divided 311 in the following way:

Insurance	5% 312
ICBE yearly fee	20% 314
Certifying professional	10% 315
ICBE	10% 316
Monitored system:	
Discount	10% 321
ERCs to owner	65% 324
Unmonitored system:	
Discount	20% 320
ERCs to owner	55% 323

If level 2 is chosen (**Figure 18**) 310:

Insurance	5% 312
ICBE yearly fee	10% 314
Certifying professional	5% 315
ICBE	5% 316
Monitored system:	
Discount	5% 321

ERCs to owner	80% 324
Unmonitored system:	
Discount	10% 320
ERCs to owner	75% 323

If level 3 is chosen (Figure 19) 310:

Insurance	5% 312
ICBE yearly fee	5% 314
Certifying professional	2.5% 315
ICBE	2.5% 316
Monitored system:	
Discount	1% 321
ERCs to owner	89% 324

Figure 20 describes the process of registering a forest as a Carbon sink. From the home page, the owner (or a legally appointed representative) chooses 401 Carbon Sink Registration 117. If not account holder 402, registrant must use 403 the Open Account screen 111. Owner fills out form and submits it with the registration fee 404. Form and fee are received 405 by the server ????. Registration fee is deposited 406 in the ICBE monetary account 220, and the form is sent to the ICBE office 407 for review by the staff 408. Through communication with the owner, the necessary legal paper work establishing the property boundaries and ownership of the forest are obtained 409 and land use management policies are agreed upon 410. The surrounding communities are contacted, and agreements regarding their impact on the forest are reached 411. Third party assessment is arranged and conducted 412. The best-case scenario calculations presented by the third party are used to credit the forest 413. A percentage of the ERCs are then put in an account as insurance 414 against natural disaster and possible breach of land use and/or community impact agreements. Given the short time that calculations of this type have been studied, this insurance percentage will be assigned on a case-by-case basis. If ICBE is purchasing the credits 417, then a sale price is agreed upon 418 and dollars are transferred 419 to the owner's monetary bank account 421. The ERCs thus purchased are deposited 420 in ICBE's account 205. If the owner decides to keep the credits, they are held in his/her account with ICBE 201. Should the owner decide to sell the credits, he/she may list 424 them for sale from the ERC Pool 207. From here 425 they may be sold Figure 8, 210 to a carbon source as offset, or through the Carbon Exchange. The ERCs may also be donated Figure 8, 211 to ICBE or to the RE fund. They may also be retired from circulation. This last option is available since some parties do not believe in credit trading, and would not like to see the credits sold to a carbon source or traded on the exchange.